

LABOR AND ENVIRONMENT “TOOLBOX”

The following illustrative list identifies a “toolbox” of actions the United States could take in combination with trade negotiations to promote the protection of children, adherence to core labor standards, and mutually supportive trade and environmental protection policies.

1. Labor

- Use labor standards in existing and proposed preferential trade programs -- *e.g.*, the Generalized System of Preferences program and programs under the African Growth and Opportunity Act, the Andean Trade Preference Act, the Caribbean Basin Trade Partnership Act, and the Southeast Europe Trade Preference Act -- to build respect for, adherence to, and enforcement of core labor standards.
- Employ U.S. Agency for International Development (USAID) and other assistance programs to encourage acceptance of, adherence to, and national enforcement of core labor standards.
- Urge the World Bank and the regional development banks to encourage borrowing countries to guarantee core labor standards and to collaborate in international efforts to reduce child labor. The multilateral and regional development banks also should try to ensure that in consultations on their country operations with civil society, unions are represented.
- Encourage the World Trade Organization (WTO) to cooperate with international financial institutions to examine the interrelationships between social issues and global economic integration, including between labor standards and trade.
- Strengthen and raise the profile of the International Labor Organization (ILO) and provide strong support for ILO initiatives aimed at fostering member countries' adherence to core labor standards, such as the ILO Declaration on Fundamental Principles and Rights at Work and the new Convention on the Worst Forms of Child Labor.
- Strengthen and raise the profile of the ILO by improving the ILO's ability to fact-find, spotlight, and hold member countries accountable for violations of core labor standards by strengthening the ILO's existing mechanisms for enforcing member countries' adherence to the conventions they have ratified.
- Encourage cooperative arrangements (joint work programs) between the WTO and the World Health Organization and the ILO.

- Use the labor standards adopted by the Overseas Private Investment Corporation (OPIC) to build respect for, and adherence to, core labor standards.

2. Environment

- Improve the effectiveness of United Nations environmental programs, in particular those focused on environmental capacity-building.
- Work to increase the extent to which key environmental concerns are included in multilateral and regional development bank lending and structural adjustment strategies, *e.g.*, by bolstering efforts to strengthen environmental and related safeguards built into lending programs, by supporting initiatives to enhance the capacity of borrowing governments to protect the environment, or by giving consideration to augmenting funding for debt-for-nature swaps.
- As appropriate, highlight in National Trade Estimate country reports, and work to address, measures that both negatively affect the environment and distort trade and investment flows.
- Improve the effectiveness of the North American Development Bank's activity on environmental infrastructure projects.
- Propose the inclusion in WTO Trade Policy Reviews and in APEC Individual Action Plans of discussion of ways in which a country's or a member economy's trade and environment policies mutually reinforce each other.
- Expand environmental elements in USAID's country plans.
- Use the environmental policies of the U.S. Export Import Bank to build respect for, adherence to, and enforcement of environmental protection laws and regulations.
- Promote adherence to environmental guidelines by foreign export credit agencies.
- Use the environment standards adopted by OPIC to build respect for, and adherence to, environmental protection laws and regulations.